

MONTANA LEGISLATIVE HISTORY

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Chapter 452 19 83

Bill H 166 S _____

Original bill & history ✓ c

H. Committee on Ed. Cultural
Resources

Hearing Date(s) _____ c

1/21 ✓ c

_____ c

_____ c

Date Out

1/21 ✓ c

S. Committee on Ed. Cultural
Resources

Hearing Date(s) _____ c

3/2 ✓ c

_____ c

3/4 ✓ c

Did this bill originate in an interim committee? ____ Yes ____ No

Committee _____

Report _____

HOUSE BILL NO. 166

INTRODUCED BY MILLER

IN THE HOUSE

January 11, 1983	Introduced and referred to Committee on Education and Cultural Resources.
January 22, 1983	Committee recommend bill do pass as amended. Report adopted.
January 24, 1983	Bill printed and placed on members' desks.
January 25, 1983	Second reading, do pass.
January 26, 1983	Considered correctly engrossed.
	On motion, previous action reconsidered.
	On motion, taken from engrossing and referred to second reading.
	Second reading, do pass as amended.
January 27, 1983	Considered correctly engrossed.
January 28, 1983	Third reading, passed. Transmitted to Senate.

IN THE SENATE

January 29, 1983	Introduced and referred to Committee on Education and Cultural Resources.
March 5, 1983	Committee recommend bill be concurred in as amended. Report adopted.

March 8, 1983

Second reading, concurred in.

March 10, 1983

Third reading, concurred in.
Ayes, 49; Noes, 0.

IN THE HOUSE

March 10, 1983

Returned to House with
amendments.

March 30, 1983

Second reading, amendments
concurred in.

March 31, 1983

Third reading, amendments
concurred in.

Sent to enrolling.

Reported correctly enrolled.

House

EDUCATION

COMMITTEE PAGE 2

48 Legislature

1 No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
99	AN ACT TO ALLOW THE BOARD OF EDUCATION TO PERMIT SCHOOL DISTRICTS TO CONDUCT LESS THAN 180 DAYS OF PUPIL INSTRUCTION IN A SCHOOL YEAR IF AN EQUIVALENT IS PROVIDED THROUGH LONGER SCHOOL DAYS.	1-6	HAMMOND	1-19	DPAA	1-21
105	AN ACT TO ALLOCATE TO THE VO-TECH CENTERS THAT PORTION OF INTEREST EARNINGS NOW BEING REINVESTED IN THE LOCAL IMPACT AND EDUCATION TRUST FUND.	1-6	WINSLOW	1-17	DPAA	1-19
110	AN ACT TO REVISE THE CULTURAL AND AESTHETIC GRANTS PROGRAM	1-6	WINSLOW	1-17	DPAA	1-26
124	AN ACT TO REPEAL SECTION 20-20-302, MCA, RELATING TO SPECIAL QUALIFICATIONS FOR VOTING ON SCHOOL BOND ISSUES.	1-7	EUDAILY	1-14	DPAA	1-14
166	AN ACT TO INCREASE THE LIMIT ON THE AMOUNT THAT A SCHOOL DISTRICT CAN EXPEND WITHOUT GOING THROUGH THE BID PROCESS.	1-11	MILLER	1-21	DPAA	1-21
176	AN ACT TO REVISE THE LAW RELATING TO THE STAFF OF THE BOARD OF PUBLIC EDUCATION.	1-12	FABREGA	1-21	DPAA	1-21

House BILL NO. *166*

INTRODUCED BY *Miller*

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE LIMIT ON THE AMOUNT THAT A SCHOOL DISTRICT CAN EXPEND WITHOUT GOING THROUGH THE BID PROCESS; AMENDING SECTION 20-9-204, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 20-9-204, MCA, is amended to read:

"20-9-204. Conflicts of interests, letting contracts, and calling for bids. (1) It is unlawful for any trustee to:

(a) have any pecuniary interest, either directly or indirectly, in any contract made by him in his official capacity or by the board of trustees of which he is a member; or

(b) be employed in any capacity by the school district of which he is trustee.

(2) For the purposes of subsection (1):

(a) "pecuniary interest" does not include holding an interest of 10% or less in a corporation;

(b) "contract" does not include:

(i) merchandise sold to the highest bidder at public auctions;

(ii) investments or deposits in financial institutions

which are in the business of loaning or receiving money when such investments or deposits are made on a rotating or ratable basis among financial institutions in the community or when there is only one financial institution in the community; or

(iii) contracts for professional services other than salaried services or for maintenance or repair services or supplies when the services or supplies are not reasonably available from other sources if the interest of any board member and a determination of such lack of availability are entered in the minutes of the board meeting at which the contract is considered.

(3) Whenever the estimated cost of any building, furnishing, repairing, or other work for the benefit of the district or purchasing of supplies for the district exceeds the sum of ~~\$4,000~~ \$10,000, the work done or the purchase made shall be by contract. Each such contract must be let to the lowest responsible bidder after advertisement for bids. Such advertisement shall be published in the newspaper which will give notice to the largest number of people of the district as determined by the trustees. Such advertisement shall be made once each week for 2 consecutive weeks and the second publication shall be made not less than 5 days or more than 12 days before consideration of bids. A contract not let pursuant to this section shall be void.

1 (4) Whenever bidding is required, the trustees shall
2 award the contract to the lowest responsible bidder, except
3 that the trustees may reject any or all bids."

-End-

HOUSE EDUCATION COMMITTEE MINUTES
January 21, 1983, page 2.

KATHRYN PENROD, Montana Advisory Council for Vocational Education, stated I am speaking as an administrator of an agency, and from an educator's point of view. The responsibilities of the Board of Public Education do include policy development, and doing educational research is very time consuming. I would encourage that the law be changed.

JESS LONG, School Administrators of Montana, said we support the redefinition of the Board of Public Education duties to appoint an Executive Secretary and prescribe the perimeters of the job as outlined in this legislation.

NANCY WALTER, Montana Education Association, presented a written copy of her testimony, see attached letter. (exhibit 2)

Rep. Fabrega closed.

Questions from committee. Rep. Hannah asked Ms. Meloy why the duties of the board have expanded over the past 10 years. She answered the administrative procedures act has changed our duties and given us additional tasks.

Chairman Daily closed the hearing on House Bill 176 at 12:50 p.m.

HOUSE BILL 166

REPRESENTATIVE RON MILLER, District 42, Great Falls, said House Bill 166 was adopted at the Montana School Board Association Yearly Convention, and at the same time, the Office of Public Instruction was independently seeking this same type of legislation. This is an act to increase the amount school districts shall expend without going through the formal bid process and clarifying the formal bidding process, that would be as it is amended, (see exhibit 3). This bill has adopted the process currently used by community colleges in Montana for contract bidding. The bill takes the contracting section verbatim from Section 20-15-1042 in the community college section. It provides that the trustees need not meet any bid requirements when an item or service is less than \$5,000. This has raised the present limit from \$4,000. Between \$5,000. and \$25,000., the trustees must procure at least three informal bids. The present statute has not been changed since 1973. This bill would still require three informal bids, and would mandate advertisement on contracts over \$25,000.

PROPOSERS

HOUSE EDUCATION COMMITTEE MINUTES
January 21, 1983, page 3

CHIP ERDMANN, Montana School Board Association, said the \$4,000. limit contained in the school bidding law was adopted in 1973. It is now outdated. It should be brought up to the community college limit, which was adopted in 1979. The amendment also clarifies that a school district staff can perform jobs that are over the contract limit. Just because they are over the limit, the law didn't intend that they have to be bid.

JOHN DEENEY, School District #2, Billings, said in our particular district, we take options from \$5,000. and up. There are a considerable number of issues that go above the \$4,000. limit. This bill would benefit all school districts along with Billings.

JACOB BLOCK, Missoula, School District #1, said the increase provision allows school districts to utilize their people. We believe that the only prudent approach to spending the taxpayer's money is to spend it with as much efficiency as possible.

JESS LONG, School Administrators of Montana, said this approach to the bidding process would be of considerable value to the school districts.

GARY STEUERWALD, Office of Public Instruction, said OPI was independently seeking legislation that would increase this limit. We support House Bill 166 as amended.

LION COOK, District 75, Charlo, said I believe committee action would put Montana in line with other school districts in other states.

There were no opponents to House Bill 166.

Questions from committee. Rep. Eudaily asked Mr. Steuerwald what constitutes an informal bid. The answer was requirements would be in writing. Our interpretation would be that it would be informal but that it would be written down in some form.

Rep. Yardley asked Mr. Steuerwald if he would have any problem agreeing to an amendment to stipulate that these informal bids be in writing. The response was no objection.

Rep. Sands commented it requires that bids be submitted only from contractors licensed in Montana. If the bid is over \$25,000. it could be from out of state. I don't see the reason for restricting it to contractors in Montana for that range.

Chairman Daily closed the hearing on House Bill 166 at 1:00 p.m.

HOUSE BILL 221

HOUSE EDUCATION COMMITTEE MINUTES
January 21, 1983, page 6

Rep. Eudaily asked Mr. Steuerwald if we don't put a time limit on these accrued expenses, could we be running this year's budget three years down the road. The response was currently, we have a limitation on the books of one year.

EXECUTIVE SESSION

HOUSE BILL 176

Rep. Eudaily moved House Bill 176, DO PASS.

Chairman Daily moved the amendment to House Bill 176, DO PASS, the motion carried unanimously. (see exhibit 5)

Rep. Eudaily moved House Bill 176, DO PASS as amended, the motion carried 16 to 1, with Rep. Hannah voting no.

HOUSE BILL 166

Chairman Daily moved House Bill 166, DO PASS.

Chairman Daily moved the amendments to House Bill 166, DO PASS. (see exhibit 3)

Rep. Sands made a substitute motion to amend the amendments to strike from contractors, licensed in Montana.

Rep. Schye stated I think contractors should be licensed, I would think they should get the first shot at the job.

The motion to amend the amendment failed, with Rep. Sands and Hannah voting yes.

The amendments to House Bill 166 passed unanimously.

Rep. Hammond moved House Bill 166, DO PASS as amended, the motion carried unanimously.

HOUSE BILL 89

Rep. Lory moved House Bill 89, DO NOT PASS, the motion carried unanimously.

HOUSE BILL 99

Rep. Hammond moved House Bill 99, DO PASS.

Rep. Lory moved the amendments to House Bill 99, DO PASS. (see exhibit 6) Rep. Lory explained that the amendments require the school district before they can implement the program to vote, so the voters can express their opinions on the issue. A statement of intent was required on House Bill 99. (see exhibit 7)

HOUSE Education COMMITTEE

DATE 1/21/83

[illegible]

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Amendment to HB166
(Introduced Bill)

1. Title, line 6
following: "THE"
Insert: "FORMAL"
Following: "PROCESS"
Strike: ";"
Insert: ", AND CLARIFYING THE BIDDING REQUIREMENTS;"
2. Page 2, line 13 through line 3 on page 3
Strike: line 13 on page 2 through line 3 on page 3 in
its entirety
Insert: (3) The board of trustees shall let contracts for
building, furnishing, repairing, or other work
or supplies for the benefit of the district
according to the following rules and procedures:
(a) The board of trustees need not meet require-
ments relating to advertising or bidding if a
proposed contract for building, furnishing,
repairing or other work or supplies is for less
than \$5,000.
(b) Whenever the proposed contract costs are
less than \$25,000 but more than \$5,000, the
board of trustees shall procure at least three
informal bids, if reasonably available, from
contractors licensed in Montana.
(c) Whenever the proposed contract costs are
more than \$25,000, the board of trustees shall
solicit formal bids and advertise once each week
for at least 2 weeks in a newspaper published
in each county wherein the area of the district
lies, calling for bids to perform such work or
furnish such supplies. If advertising is
required, the board shall award the contract to
the lowest responsible bidder. However, the
board of trustees has the right to reject any
and all bids.
(d) Nothing in this section shall require
the board of trustees to let a contract for
any project or service which can be accomplished
by district staff.

STANDING COMMITTEE REPORT

1 of 2

January 21, 83

19

SPEAKER:

MR.

EDUCATION AND CULTURAL RESOURCES

We, your committee on

having had under consideration HOUSE Bill No. 166

first white

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE THE LIMIT
ON THE AMOUNT THAT A SCHOOL DISTRICT CAN EXPEND WITHOUT GOING
THROUGH THE BID PROCESS; AMENDING SECTION 20-9-204, MCA."

Respectfully report as follows: That HOUSE Bill No. 166
be amended as follows:

1. Title, line 6.

Following: "THE"

Insert: "FORMAL"

Following: "PROCESS;"

Insert: "CLARIFYING THE BIDDING REQUIREMENTS; AND"

2. Page 2, line 13 through line 3 on page 3.

Strike: line 13 on page 2 through line 3 on page 3 in its
entirety

XXXXX
DO PASS

HOUSE BILL 166

January 21, 1953

Insert: (3) The board of trustees shall let contracts for building, furnishing, repairing, or other work or supplies for the benefit of the district according to the following rules and procedures:

(a) The board of trustees need not meet requirements relating to advertising or bidding if a proposed contract for building, furnishing, repairing or other work or supplies is for less than \$5,000.

(b) Whenever the proposed contract costs are less than \$25,000 but more than \$5,000, the board of trustees shall procure at least three informal bids, in writing, if reasonably available from contractors licensed in Montana.

(c) Whenever the proposed contract costs are more than \$25,000, the board of trustees shall solicit formal bids and advertise once each week for at least 2 weeks in a newspaper published in each county wherein the area of the district lies, calling for bids to perform such work or furnish such supplies. If advertising is required, the board shall award the contract to the lowest responsible bidder. However, the board of trustees has the right to reject any and all bids.

(d) Nothing in this section shall require the board of trustees to let a contract for any project or service which can be accomplished by district staff.

AND AS AMENDED
DO PASS

48th

LEGISLATIVE SESSION

SENATE

COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

HOUSE BILL NO.	ENTERED COMM.	DATE CONSIDERED	OUT OF COMM.	DO PASS DATE	DO NOT PASS DATE	DO PASS AS AMEND. DATE	BE CON- CURRED IN DATE	BE CONC. IN AS AMENDED DATE	BE NOT CON- CURRED IN DATE
30	1/21/83	3/9	3/10					3/9/83	
39	1/26/83	2/16	2/17				2/16/83		
93	3/1/83	3/18 3/23	3/23					3/23/83	
99	1/28/83	3/14 3/23	3/23				3/23/83		
105	3/1/83	3/21	3/21				3/21/83		
110	2/1/83	3/2/83	3/4				3/2/83		
124	1/20/83	3/9	3/10				3/9/83		
140	1/20/83	3/3 Rereferred to State Administration							
166	1/29/83	3/2 3/4	3/4					3/4	
176	1/28/83	3/21 3/23	3/23				3/23/83		
192	1/28/83	3/2 3/4 3/16	3/17						3/16/83
196	2/10/83	3/11 3/16	3/17				3/16/83		
221	1/31/83	3/21 3/23	3/23					3/23/83	
224	1/28/82	3/7	3/8				3/7		
239	2/1/83	3/11	3/11						3/11/83
273	2/2/83	3/7	3/8					3/7	

Use a separate sheet for Senate, House Bills, and Resolutions.

MINUTES OF THE MEETING
EDUCATION AND CULTURAL RESOURCES COMMITTEE
MONTANA STATE SENATE

March 2, 1983

The meeting of the Senate Education and Cultural Resources Committee was called to order by Chairman Bob Brown on March 2, 1983, at 1:00 p.m. in Room 402, State Capitol.

ROLL CALL: Roll was called with all members present but Senator McCallum.

HOUSE BILL 457: Representative Lory, District 99, presented the bill for the sponsor, Representative Eudaily, District 100, who was out of town due to a family illness. Representative Lory said the bill was introduced at the request of the Office of Public Instruction. Because of situations in the past such as the strike in Missoula, the bill provides for the penalty for failing to meet the 180 day pupil instruction requirement to apply equally to elementary and high schools. The bill changes the language in the bill to indicate a school will lose 1/90th of its equalization apportionment per each day less than 180 rather than losing all its funds as previously written. The 1/90th provision was chosen because a 1/80th share might have benefited some small schools rather than being a penalty.

PROPOSERS

Chip Erdmann, representing the Montana School Boards Association, presented his testimony in support of the bill (exhibit #1).

Jess Long, representing the School Administrators of Montana, said he supported both features of the bill.

Dave Sexton, representing the Montana Education Association, said that organization endorsed both provisions of the bill.

There being no further proposers, and no opponents, Representative Lory closed.

HOUSE BILL 166: Representative Miller, District 92, sponsor of the bill, presented his testimony to the committee (exhibit #2).

PROPOSERS

Chip Erdmann, representing the Montana School Boards Association, said the MEA had voted at its annual convention to seek legislation in this area. He stated community colleges have been

EDUCATION AND CULTURAL RESOURCES

March 2, 1983

Page 2

using this procedure for contract bidding since 1979 and it has worked very well.

Jess Long, representing the School Administrators of Montana, urged support of the bill.

Leo Wohler, representing Billings Public Schools, urged the committee to support the bill. He stated the dollar and man hour savings would be advantageous.

OPPONENTS

Bill Olson, representing the Montana Contractors Association, presented his testimony in opposition to the bill to the committee (exhibit #3).

O.F. Ingram, President, Ingram Clevenger, Inc., Helena, and Past President of the Montana Contractors Association, stated competitive bidding is the best way to go with current economic situations being what they are. He said the bill is not in the best interests of contractors and taxpayers.

Joe Petrini, representing the Helena Contractors Council, stated he agreed with the preceding testimony saying it is more competitive to keep the bill in its present form.

George Waters, Waters Construction, Helena, presented his testimony in opposition to the bill (exhibit #4).

Ben Parriman, representing L.P. Barney Construction Co., Inc., Helena, presented his testimony in opposition to the bill (exhibit #5).

There being no further opponents, Representative Miller closed by saying there is probably no problem in having formal bids in the \$5000 to \$25,000 range.

HOUSE BILL 192: Representative Schultz, District 48, sponsor of the bill, presented his testimony to the committee (exhibit #6).

PROPOSERS

Chip Erdmann, representing the Montana School Boards Association, presented his testimony in support of the bill (exhibit #7).

Jess Long, representing the School Administrators of Montana, said the bill addresses an old long standing problem of teachers signing several contracts before they choose the best. He said

ROLL CALL

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date 3/24

NAME	PRESENT	ABSENT	EXCUSE
Senator Bob Brown, Chairman	X		
Senator Ed Smith, V. Chairman	X		
Senator Roger Elliott	X		
Senator Delwyn Gage	X		
Senator George McCallum		X	
Senator Elmer Severson	X		
Senator Harry Berg	X		
Senator Chet Blaylock	X		
Senator Jack Haffey	X		
Senator Joseph Mazurek	X		

Senate Committee on Education and Cultural Resources

FROM: Lee Heiman, Committee Counsel

DATE: March 2, 1983

RE: Summaries of House Bills 110, 166, 192, and 457

House Bill 110 (Winslow). Establishes a cultural and aesthetic projects advisory committee appointed by the Historical Society Board of Trustees and the Montana Arts Council to recommend grant proposals to the legislative appropriations committee.

House Bill 166 (Miller). Revamps the bidding requirements for school districts. Requires no bidding for under \$5,000; requires at least 3 informal bids between \$5,000 and \$25,000; and formal publishing to solicit bids over \$25,000. A bid may be rejected by trustees. Exempts routine maintenance and repair performed by district staff in the performance of their duties.

House Bill 192 (Schultz). Prohibits a school district from knowingly employing a teacher under contract to another district.

House Bill 457 (Eudaily). Reduces county and state equalization for a district by 1/90th for each school day, less than 180, that it fails to provide pupil instruction.

DATE March 3, 1963
 COMMITTEE ON Education and Cultural Resources

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
<i>Walter Perry</i>	<i>Helena AAUW</i>	<i>110</i>	☒	
<i>Nancy Simpson</i>	<i>Mont. Assoc. of Sym. Architects</i>	<i>110</i>	☒	
<i>Bonny H. Morrison</i>	" " " "	<i>110</i>	☒	
<i>Ruth Lowe</i>	" " " "	<i>110</i>	☒	
<i>J. D. Holmes</i>	<i>MT ARTS ADVOCACY</i>	<i>110</i>	☒	
<i>H. F. Hestall</i>	<i>MT. HIST. Society</i>	<i>110</i>	☒	
<i>J. H. Hestall</i>	<i>CULT. ALIANCE REPRESENT.</i>	<i>110</i>	☒	
<i>J. Dave Nelson</i>	<i>MT. Arts Council</i>	<i>110</i>	☒	
<i>Bill Olson</i>	<i>MT. Contractors Assn</i>	<i>166</i>		☒
<i>Offgram</i>	<i>Logan - Clemens, Inc.</i>	<i>166</i>		☒
<i>Joe Petrini</i>	<i>Helena Contractors Council</i>	<i>166</i>		☒
<i>George C. Watters</i>	<i>Helena Contractors Council</i>	<i>166</i>		☒
<i>Emery</i>	<i>Ref. Dist 85</i>	<i>457</i>	☒	
<i>Scott Hestall</i>		<i>166</i>	☒	
<i>Jim Morrison</i>	<i>L. P. Hestall, Dist. 85</i>	<i>166</i>		☒
<i>Chuck Briggs</i>	<i>Helena dist</i>	<i>110</i>		
DAVID SEXTON	MEA	192		☒
" "	" "	457	☒	
<i>Joe W. Long</i>	<i>SAM</i>	<i>166</i> <i>192</i> <i>457</i>	☒	
<i>Chip Erdmann</i>	<i>MSBA</i>	<i>166</i> <i>192</i> <i>457</i>	☒	
<i>Monte Koch</i>	<i>UM</i>	<i>110</i>	☒	
<i>Rin Miller</i>	<i>HOUSE DIST. 42</i>	<i>166</i>	☒	

Exhibit A
March 3, 1982

Explanation of HB 166

This bill would adopt the ~~process currently~~ used by community colleges in Montana for contract bidding. The bill takes the contracting section verbatim from section 20-15-104(2) in the community college section. Briefly, it provides that the trustees need not meet any bid requirements on an item or service less than \$5,000. This is raised from the present limit of \$4,000. Between \$5,000 and \$25,000 the trustees must procure at least three informal bids. When the contract cost is over \$25,000 the contract must be advertised in a newspaper for at least 2 weeks. This bidding requirement was adopted for community colleges by the 1979 legislature.

The present statute with the \$4,000 limit has not been changed since 1973. Inflation has made this limit unrealistic. This bill would still require school districts to obtain three informal bids on any job between \$5,000 and \$25,000. They would have to advertise, however, on contracts over \$25,000.

Subsection (3)(d) is an addition that is not found in the community college section. This is to clarify a letter opinion of the Attorney General to a Missoula school district. The Attorney General stated that all projects, even regular maintenance and repair projects, were subject to the contract requirements.

Many school districts use their maintenance personnel over the summer to complete such tasks as resurfacing the gym floor, painting classrooms; etc. The school districts do not believe it was the original intent of the legislature to require that this type of project be subjected to the contracting requirements.

(This sheet to be used by those testifying on a bill.)

NAME: Chip Seeman DATE: 3/2/83
ADDRESS: Helena
PHONE: 442-2180
REPRESENTING WHOM? MSBA
APPEARING ON WHICH PROPOSAL: HB 166
DO YOU: SUPPORT? X AMEND? _____ OPPOSE? _____
COMMENTS: see attached.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Explanation of HB166
(as amended)

written This bill would adopt the process currently used by community colleges in Montana for contract bidding. The bill takes the contracting section verbatim from section 20-15-104(2) in the community college section. Briefly, it provides that the trustees need not meet any bid requirements on an item or service less than \$5,000. This is raised from the present limit of \$4,000. Between \$5,000 and \$25,000 the trustees must procure at least three informal bids. When the contract cost is over \$25,000 the contract must be advertised in a newspaper for at least 2 weeks. This bidding requirement was adopted for community colleges by the 1979 legislature.

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Many school districts use their maintenance personnel over the summer to complete such tasks as resurfacing the gym floor, painting classrooms; etc. The school districts do not believe it was the original intent of the legislature to require that this type of project be subjected to the contracting requirements.

NAME: Leo Wahler DATE: 3-2-83

ADDRESS: 933 Arsonen - Billings

PHONE: 248-8364 Home 656-7111 Office

REPRESENTING WHOM? Billings Public Schools

APPEARING ON WHICH PROPOSAL: HB 166

DO YOU: SUPPORT? ✓ AMEND? OPPOSE?

COMMENTS: Cities now have the liberty of no bid
on contracts under \$10,000. Schools are limited
to \$4,000 since 1973. This bill would put the
schools in line with the cities as well as
cut advertising costs and bid preparation
costs.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Exhibit 113
3/5/85

NAME: William Olson DATE: 3/2/83

ADDRESS: Helena, MT.

PHONE: 442-4162

REPRESENTING WHOM? Montana Contractors Association

APPEARING ON WHICH PROPOSAL: HB 166

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? ✓

COMMENTS: Believe in free competitive bidding. This
harmful to small local contractors. Not in the b
interests of taxpaying public. Too much room for "c
in this bill.

Leave statutes as is

Recommend "Do Not Pass" on HB 16

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE S

NAME: O. F. INGRAM DATE: 3-2-83

ADDRESS: HELENA, MONT

PHONE: 442-5102

REPRESENTING WHOM? INGRAM-CLEVENGER, INC.

APPEARING ON WHICH PROPOSAL: HB 166

DO YOU: SUPPORT? AMEND? OPPOSE? X

COMMENTS: This legislation is NOT in the BEST
INTEREST OF CONTRACTORS & TAXPAYERS AND
IS NOT NEEDED. ~~IT~~ ~~WILL~~ Would be very
harmful for small business contractors.

Recommend HB 166 Do NOT Pass -

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

1

NAME :

DATE :

ADDRESS :

PHONE :

REPRESENTING WHOM?

APPEARING ON WHICH PROPOSAL:

DO YOU:

SUPPORT?

AMEND?

OPPOSE?

COMMENTS:

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STUDENTS

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COMPETITIVE

1741

3. 11. 11

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15

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Exhibit #1
3/3/83

NAME: George C Watters DATE: 3-2-19

ADDRESS: 1122 Choteau Ave Helena, Mt 5960

PHONE: 442-1077

REPRESENTING WHOM? Helena Contractors Council & Watters Const Co

APPEARING ON WHICH PROPOSAL: H.B. 166

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? ☒

COMMENTS: I oppose H.B. 166. There is allways a
diffult decision now on what is maintenance
and what is major repair.

The school maintenance superintendent in
many cases ^{can be} ~~is~~ a hard boiled pusher and does
an efficient job of maintenance and might be
capable of efficient supervision of construction to
us tax payers money. But in the long run this
so called maintenance ends up being
poor, & costly construction under designed.
And eventually increases taxes.

I have had my own construction Co. (Watters Con
for 23 years ^{and} without a competitive bidding and construct
workers tend to become inefficient.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

NAME:

DEN KARRIMAN

DATE:

3/5

ADDRESS:

Box 196

PHONE:

442 - 7910

REPRESENTING WHOM?

L. P. BARNEY Const. Co.

APPEARING ON WHICH PROPOSAL:

H.B. 0166 / 03

DO YOU:

SUPPORT?

AMEND?

OPPOSE?

☒

COMMENTS:

H. B. 166 would definitely
hurt the General Contractors &
Small business.

The general Contractors Pres.
is "Survival" and this H. B. would
and should not be change

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECR

The bill also clarifies the retirement fund transfer.

There were no proponents or opponents to the bill.

HOUSE BILL 657: Representative Sands, District 68, stated the bill removes the necessity for teachers to maintain three separate certificates. A teacher who is in an administrative or advisory position currently has to maintain three certifications; if the bill passes, he would only have to maintain one.

PROPOSERS

John Voorhies, Certification and Teacher Education Director, Office of Public Instruction, stated the bill is strictly a housekeeping measure which would require a teacher to only have to maintain one certification. He urged the committee to support the bill.

There being no further proponents and no opponents, the hearing was closed.

EXECUTIVE SESSION

HOUSE BILL 653: Senator Mazurek expressed some concern about who or how many parties must agree to the out of district placement. He asked to have Bob Stockton attend the next meeting for clarification.

ACTION ON HOUSE BILL 657: Senator Berg moved House Bill 657 BE CONCURRED IN. The motion carried unanimously with Senators McCallum and Elliott absent.

ACTION ON HOUSE BILL 457: Senator Mazurek moved the amendments as per the attached committee report (exhibit #1).

Senator Mazurek moved HB 457 BE CONCURRED IN. The motion carried unanimously with Senators McCallum and Elliott absent.

ACTION ON HOUSE BILL 166: Chip Erdmann, representing the Montana School Boards Association, gave the committee an Attorney General's opinion (exhibit #2) concerning provisions addressed in the bill.

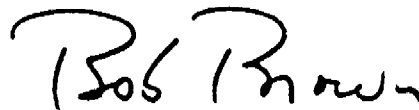
Senator Mazurek moved the amendments as per the attached committee report (exhibit #3). The motion carried unanimously with Senator McCallum absent.

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Education and Cultural Resources
March 4, 1983

Senator Elliott moved House Bill 166 BE CONCURRED IN AS AMENDED.
The motion carried unanimously with Senator McCallum absent.

HOUSE BILL 192: Letters from Chip Erdmann, Montana School Boards Association, and Dave Sexton, Montana Education Association, were given to the committee regarding the proposed amendments (exhibits #3 and #4). The committee took no action on the bills at present.

ADJOURN: There being no further business, the committee adjourned.

A handwritten signature in black ink that reads "Bob Brown". The signature is written in a cursive, slightly stylized font. The "B" is large and loops around the "o". The "B" in "Brown" is also large and loops around the "o". The "n" at the end is a simple horizontal stroke.

Senator Bob Brown, Chairman

jdr

ROLL CALL

EDUCATION AND CULTURAL RESOURCES

COMMITTEE

48th LEGISLATIVE SESSION -- 1983

Date 3/4/83

NAME	PRESENT	ABSENT	EXCUSED
<u>Senator Bob Brown, Chairman</u>	X		
<u>Senator Ed Smith, V. Chairman</u>	X		
<u>Senator Roger Elliott</u>	X		
<u>Senator Delwyn Gage</u>	X		
<u>Senator George McCallum</u>			X
<u>Senator Elmer Severson</u>	X		
<u>Senator Harry Berg</u>	X		
<u>Senator Chet Blaylock</u>	X		
<u>Senator Jack Haffey</u>	X		
<u>Senator Joseph Mazurek</u>	X		

3/4/82

ABC/aw

10 September 1981

Robert L. Deschamps, Esq.
Missoula County Attorney
Missoula County Courthouse
Missoula, Montana 59801

Dear Mr. Deschamps:

You have requested my opinion on the following question:

Does section 20-9-204(3), MCA, require a school district to let a contract for a project which costs more than \$4,000 if a portion of the \$4,000 cost includes salaries of district employees?

Section 20-9-204(3), MCA provides:

Whenever the estimated cost of any building, furnishing, repairing or other work for the benefit of the district or purchasing of supplies for the district exceeds the sum of \$4,000, the work done or the purchase made shall be by contract. Each such contract must be let to the lowest responsible bidder after advertisement for bids. Such advertisement shall be published in the newspaper which will give notice to the largest number of people of the district as determined by the trustees. Such advertisement shall be made once each week for 2 consecutive weeks and the second publication shall be made not less than 5 days or more than 12 days before consideration of bids. A contract not let pursuant to this section shall be void.

That section requires the district to estimate the cost of any building, furnishing, repairing or other work it desires to be done. The components of the cost will vary with the type of project. If it is the purchase of furnishings, the labor costs will probably be nil. If it involves construction, then labor costs will be significant.

Thus, as a district lists the estimated costs for a construction project it will allocate thereto the salaries of the district personnel who would do the work if it were to

Robert L. Deschamps, Esq.

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- be done by the district. If all those totaled costs, including salaries, are over \$4,000 then 20-9-204(3) requires the work to be done pursuant to contract let to the lowest responsible bidder.

A successful bidder may have higher or lower labor costs than those estimated by the district, and almost certainly will use his own personnel. That, however, is not the issue. The crucial point is that 20-9-204(3), MCA, requires a cost estimation and personnel salaries would be part of that estimation.

Very truly yours,

MIKE GREELY
Attorney General

STANDING COMMITTEE REPORT

March 4, 1983

MR. **PRESIDENT**

We, your committee on **EDUCATION AND CULTURAL RESOURCES**

having had under consideration **HOUSE** Bill No. **166**

Miller (Elliott)

Respectfully report as follows: That **HOUSE** Bill No. **166**

third reading copy, be amended as follows:

1. Title, line 6.

Strike: **"FORMAL"**

Strike: **"CLARIFYING THE BIDDING"**

2. Title, line 7.

Strike: **"REQUIREMENTS; AND"**

XXXXXX

NC

3. Page 3.

Following: line 3

Strike: lines 4 through 23

Insert: "(3) Whenever the estimated cost of any building, furnishing, repairing, or other work for the benefit of the district or purchasing of supplies for the district exceeds the sum of \$7,500, the work done or the purchase made shall be by contract. Each such contract must be let to the lowest responsible bidder after advertisement for bids. Such advertisement shall be published in the newspaper which will give notice to the largest number of people of the district as determined by the trustees. Such advertisement shall be made once each week for 2 consecutive weeks and the second publication shall be made not less than 5 days or more than 12 days before consideration of bids. A contract not let pursuant to this section shall be void.

(4) Whenever bidding is required, the trustees shall award the contract to the lowest responsible bidder, except that the trustees may reject any or all bids."

4. Page 3, line 24.

Following: line 23

Strike: "(D)"

Insert: "(5)"

And, as so amended, BE CONCURRED IN,